

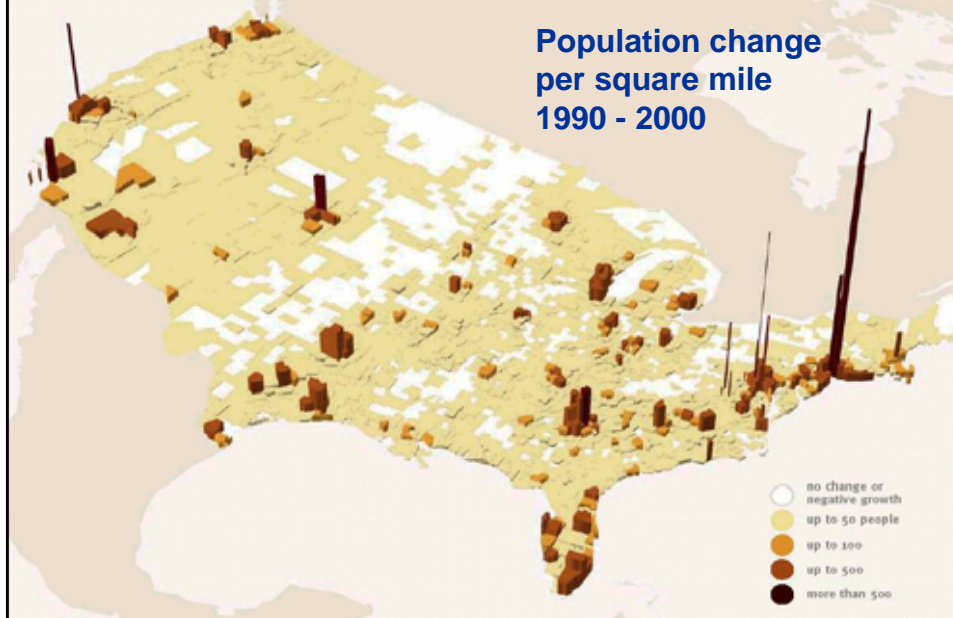


The Southwest Mega Region

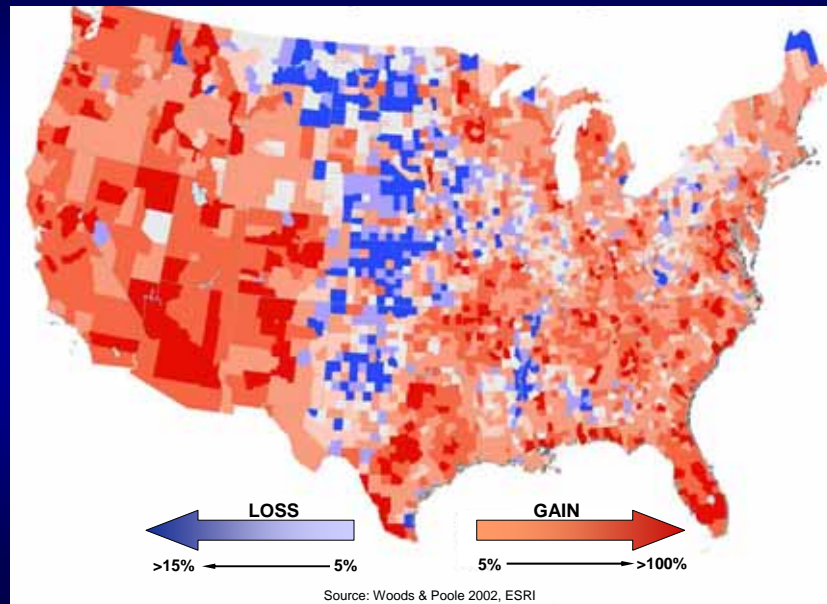
Mark Pisano
SCAG Executive Director

Uneven and Inequitable Growth Patterns

Population change
per square mile
1990 - 2000

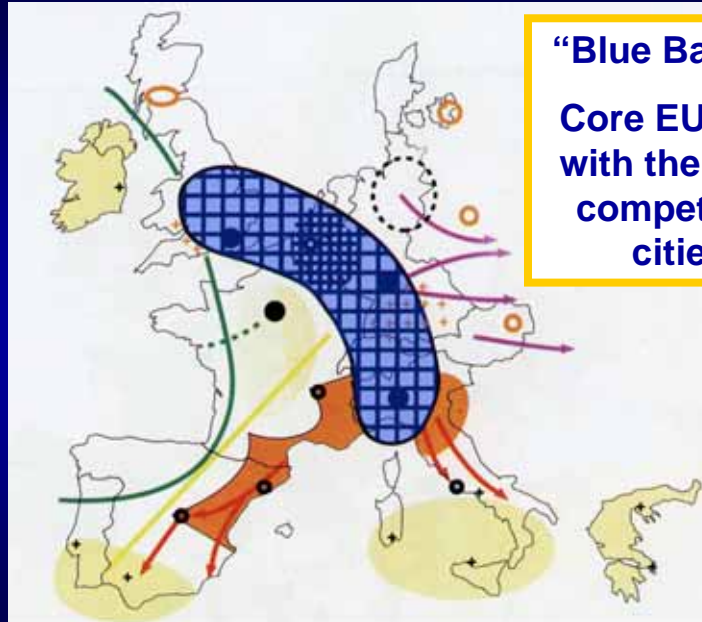


POPULATION CHANGE, 2000-2050

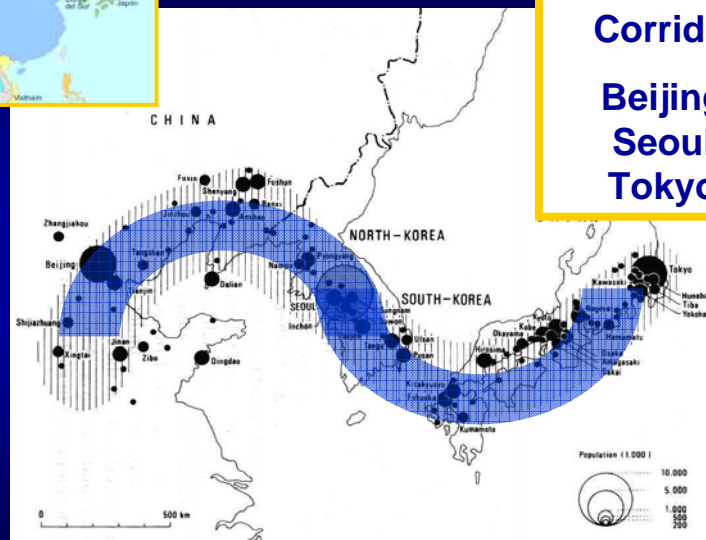


GLOBAL TRENDS

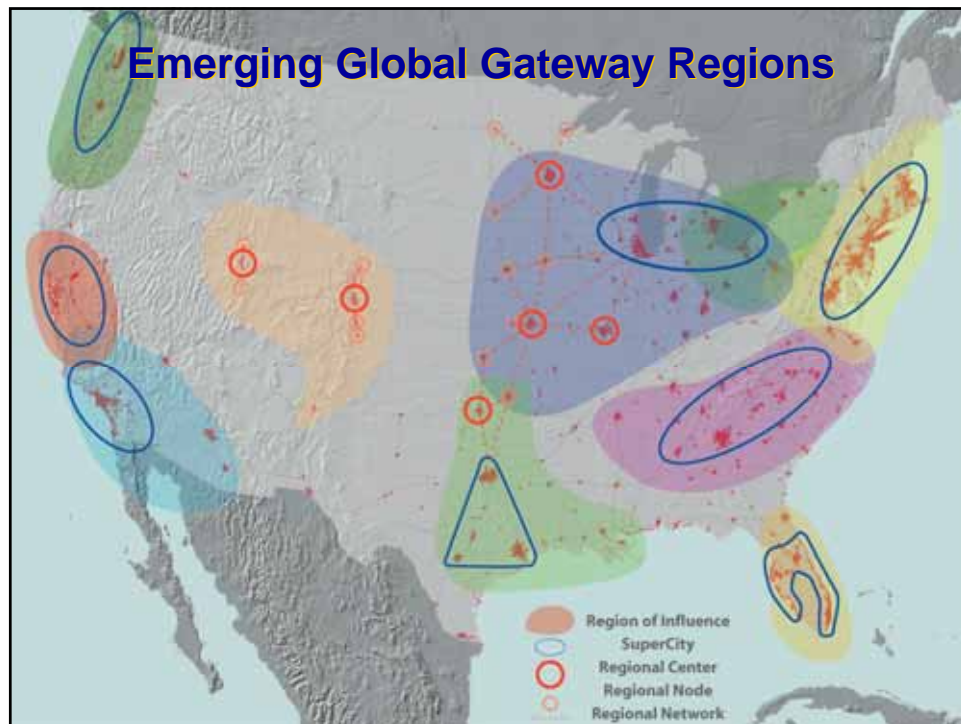




“Blue Banana”
Core EU Area
with the most
competitive
cities



“BESETO”
Corridor
Beijing
Seoul
Tokyo





**THE SOUTHWEST
GLOBAL GATEWAY**











SOUTHWEST GLOBAL GATEWAY TRENDS

POPULATION GROWTH

Population is
expected to grow to

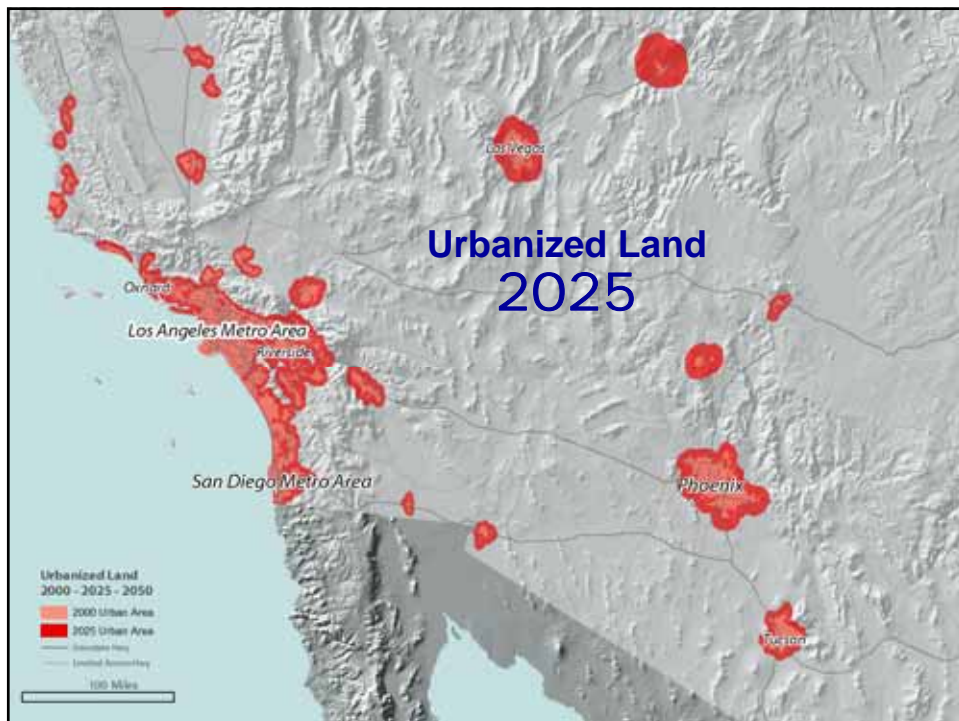
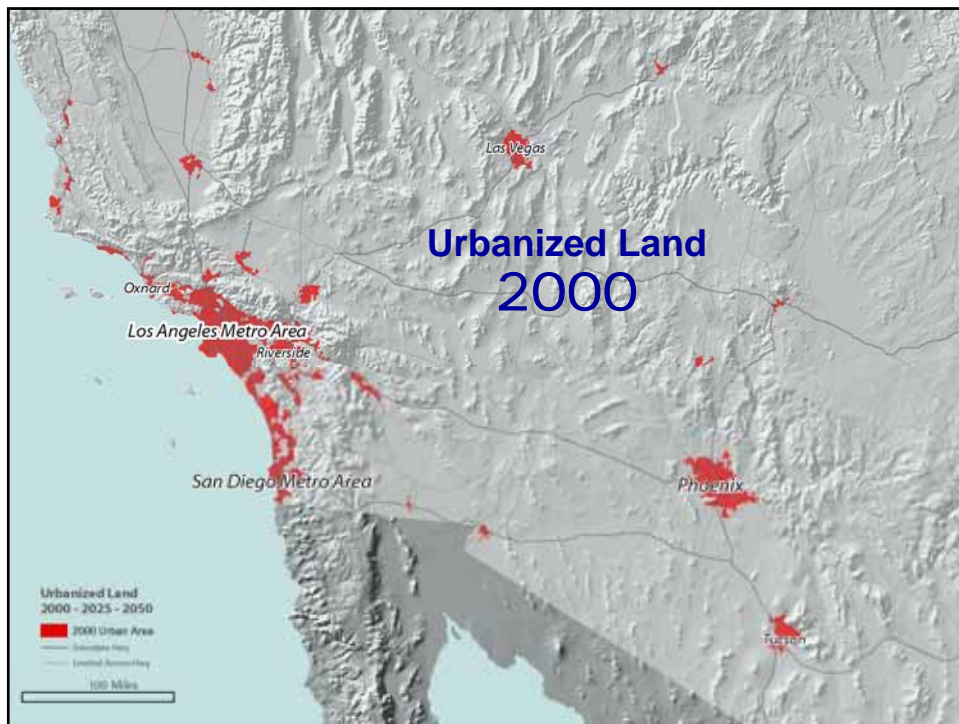
27,700,000

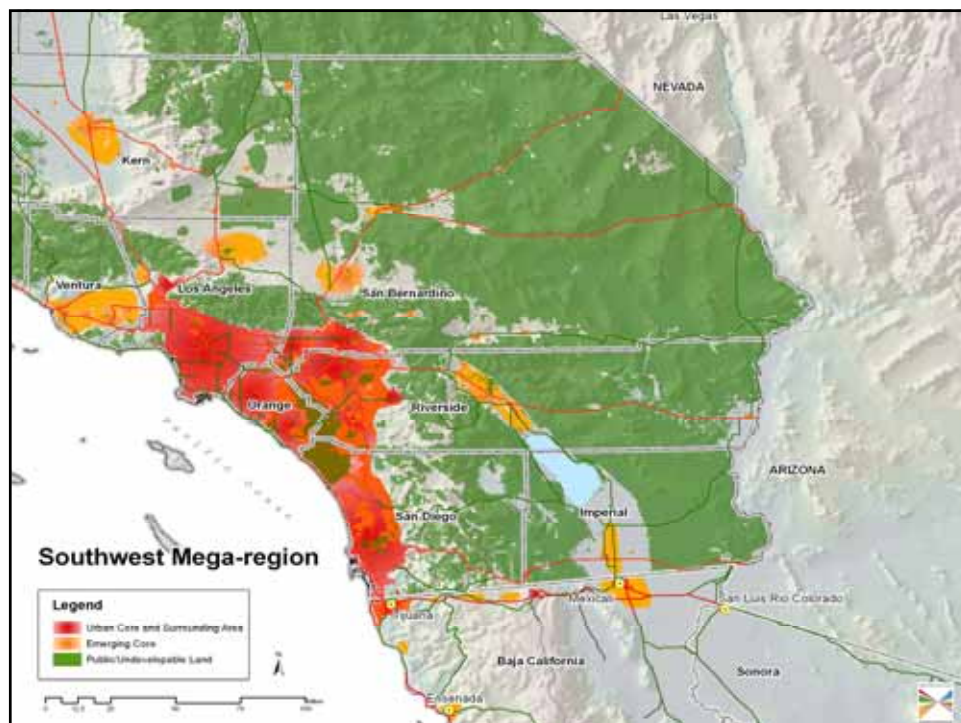
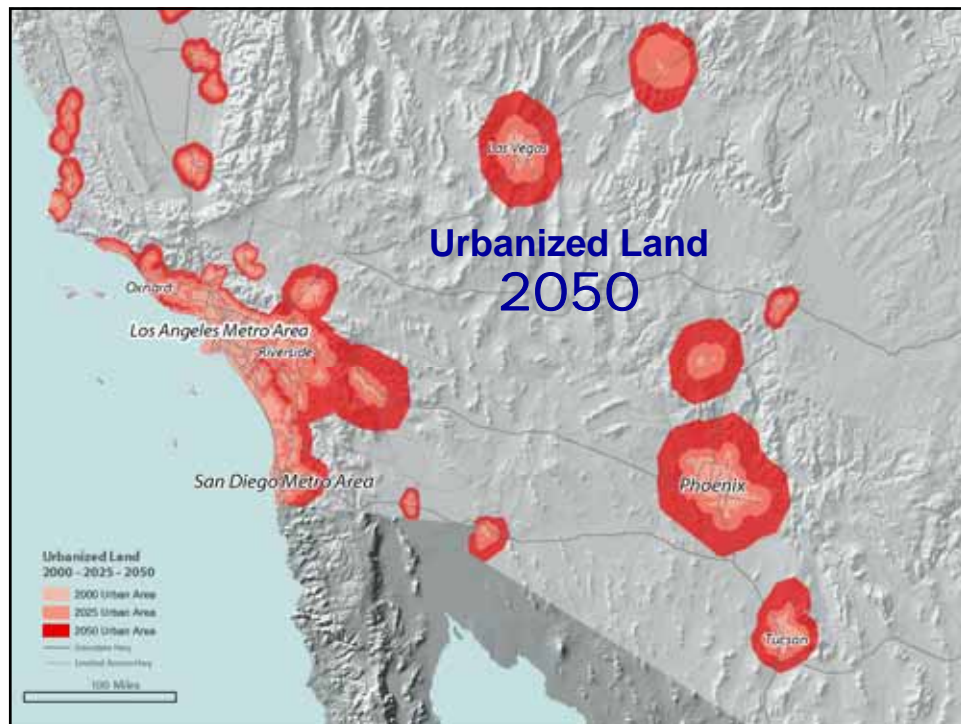
by 2030

35%

Increase
from 2000







TRADE GROWTH



Los Angeles/Long Beach port complex 5th largest in world
44 million 20 ft. containers by 2030 - reaching capacity

TRADE GROWTH WITH MEXICO



The Mexico-California commercial relationship in 2002 was worth approximately \$36 billion, 7 percent, of the total bilateral commercial activity between U.S. and Mexico

Mexico ranks as California's largest trade partner

GROWTH IN AIRPORT DEMAND



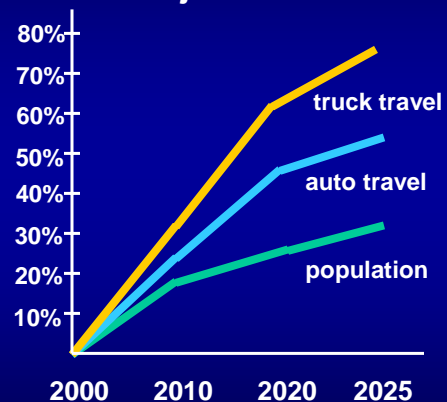
- Mega-region's airports make So. Cal the busiest of all regions in the country
- 94 million passengers served in 2003
- Demand forecast to double before 2030
- Cargo expected to triple

HIGHWAY CONGESTION



Worst in nation since 1982

Projected Growth



AIR POLLUTION



- Progress has stalled and diesel emissions from ships, locomotives and port complex are projected to increase
- Mega-region continues to have the worst air quality in the U.S.

THREATENED ENVIRONMENT & QUALITY OF LIFE

ENERGY

Demands on the capacity and distribution of energy will remain a major challenge

WATER

Per capita demand not projected to decline as the population increases

HABITAT & OPEN SPACE

Suburban-style sprawl continues to consume native habitat

GLOBAL GATEWAY THINKING

- Promotes relationships between existing metropolitan areas
- Supports sustainability and long-term vitality
- Streamlines transportation and land use patterns
- Fosters better economies
- Encourages cost-saving measures through cooperation

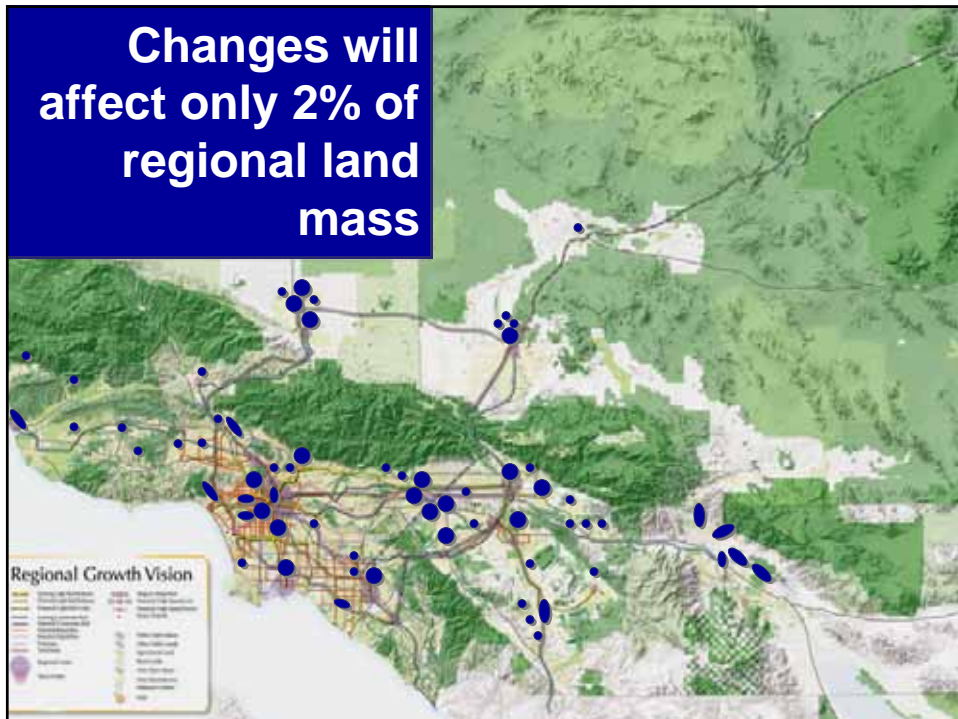


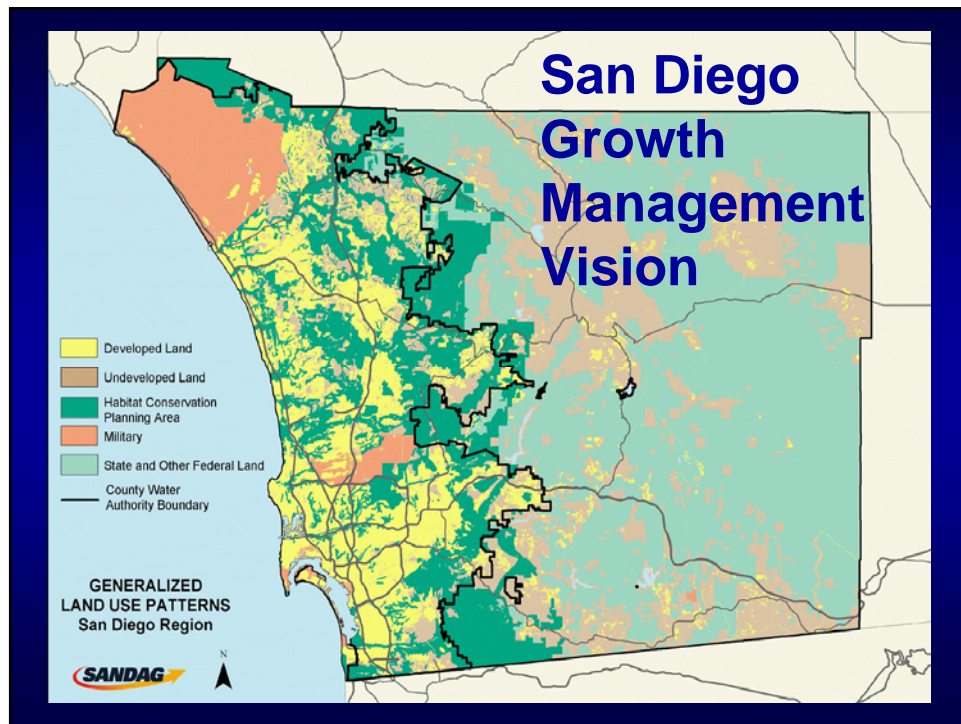
SOUTHWEST GLOBAL GATEWAY STRATEGIES

3. Economic Development Strategy



**Changes will
affect only 2% of
regional land
mass**





Infrastructure Investments



Decentralized Airport System with High-Speed Rail System



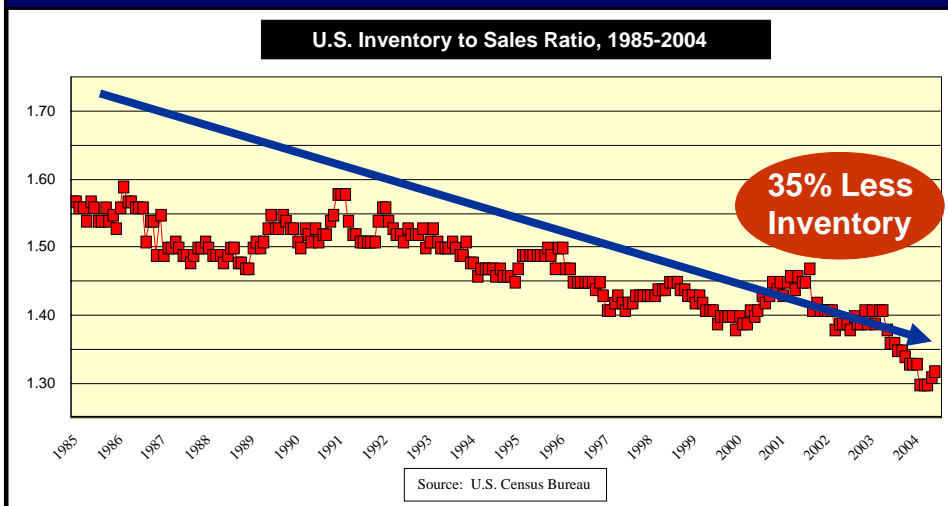
Integrated and Efficient Goods Movement System



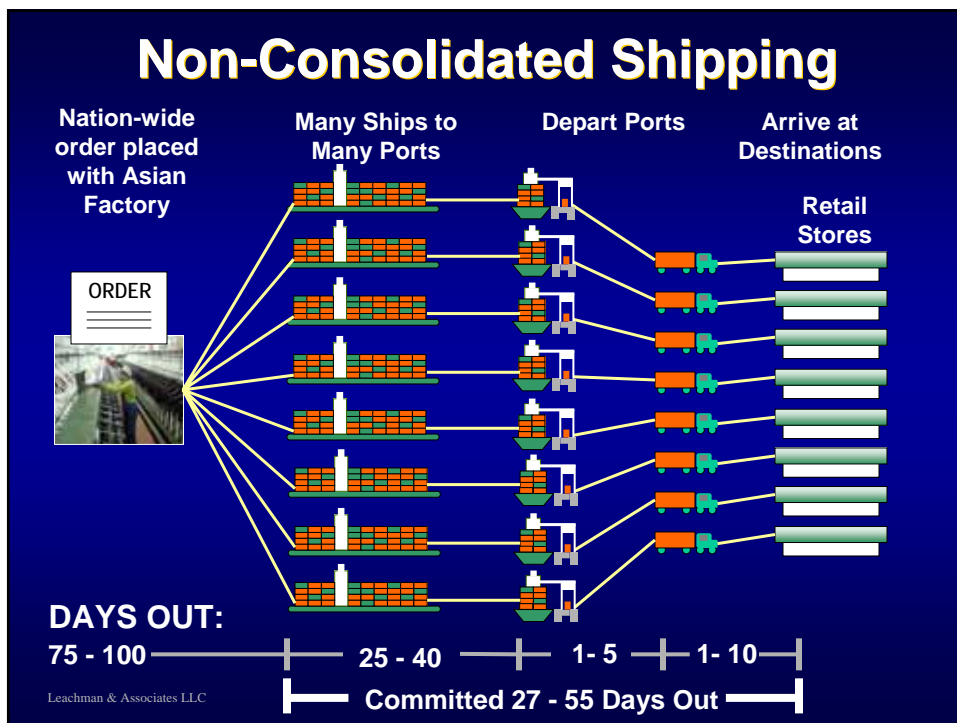
Economic Development Strategy

Logistics

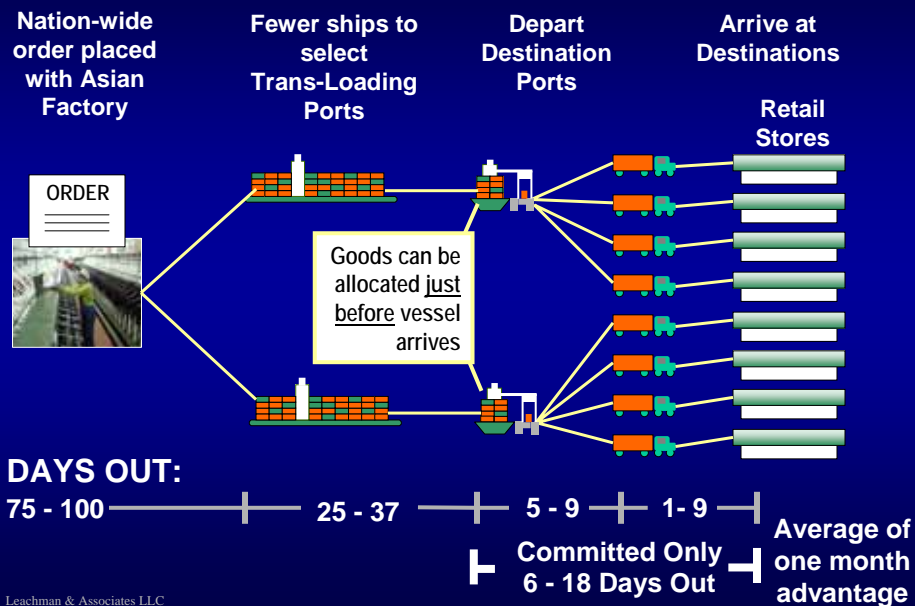
“Just In Time” Inventory Trend



**At So-Cal Ports
Consolidation &
Trans-Loading Produce
Both Cost and Time
Savings, Making
“Just-In-Time”
Strategies Achievable**



Consolidated & Trans-Loaded



The Benefit to Shippers

The trans-loading of weekly shipments affords large, nation-wide retailers an 18-20% reduction in their total pipeline plus safety stock inventory compared to direct shipping.

Assuming a 6% average error in nationwide one-week-ahead sales forecasts

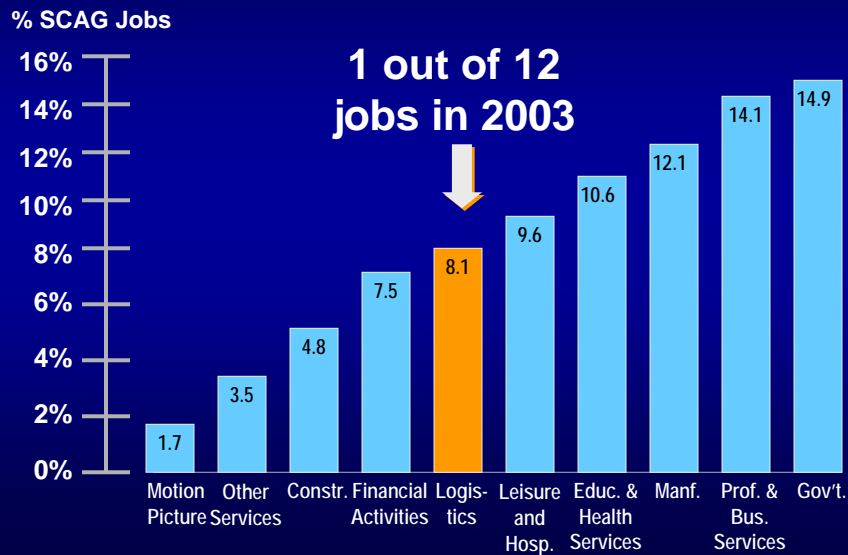
The Benefit to Shippers

Similar improvements in cross-border, land-port logistics within the Southwest Mega-region would also provide efficiencies and benefits to shippers.

The Benefit to Global Gateways

The sustenance and growth of the Logistics Industry, an industry noteworthy for the good pay and upward mobility opportunities available to a growing blue collar labor force

Logistics Share of So-Cal Jobs

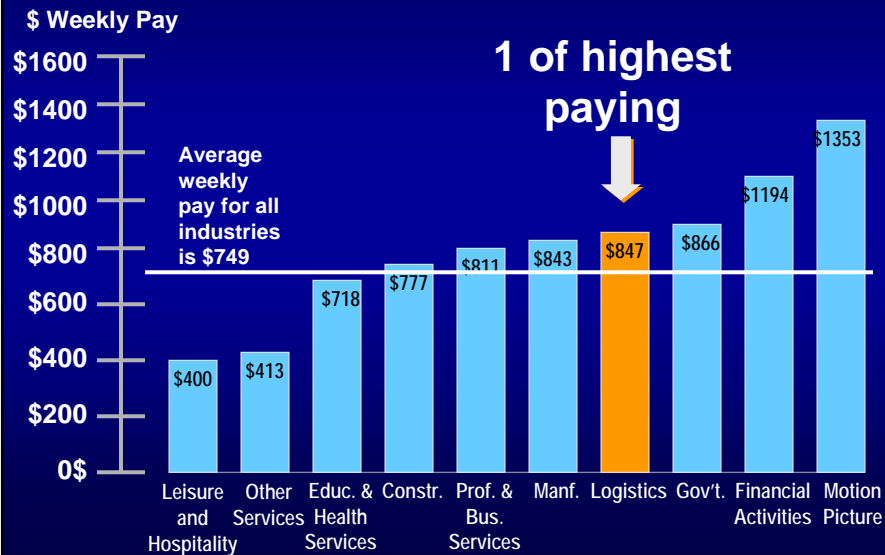


Logistics Share of So-Cal Jobs

Approximately
117,000 of all
export-supported
jobs in California
are related to
commercial
relationships with
Mexico

= 17 %

Compared to other Sectors



Governance And Financing Strategies

- 1 Support the Creation of Partnerships Between Metropolitan Areas
- 2 Seek Federal Support to Provide Coordination and Incentives
- 3 Create Public-Private Partnerships to Execute Strategic Investments in Infrastructure

Mega Region Strategy Results

- 1 Growth of Logistics Industry
Builds Middle Class
- 2 Increase in Housing Stock
- 3 Better Quality of Life for All
- 4 Made Possible by New Finance
Structures That Encourage Change





The Southwest Mega Region
Thank You